



General Assembly

January Session, 2007

Raised Bill No. 1328

LCO No. 4446

04446_____ET_

Referred to Committee on Energy and Technology

Introduced by:
(ET)

AN ACT CONCERNING THE DEPARTMENT OF PUBLIC UTILITY CONTROL.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (a) of section 16-47 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective from*
3 *passage*):

4 (a) As used in this section [.] and section 2 of this act, (1) "holding
5 company" means any corporation, association, partnership, trust or
6 similar organization, or person which, either alone or in conjunction
7 and pursuant to an arrangement or understanding with one or more
8 other corporations, associations, partnerships, trusts or similar
9 organizations, or persons, directly or indirectly, controls a gas, electric,
10 electric distribution, water, telephone or community antenna television
11 company, [. As used in this section,] and (2) "control" means the
12 possession of the power to direct or cause the direction of the
13 management and policies of a gas, electric, electric distribution, water,
14 telephone or community antenna television company or a holding
15 company, whether through the ownership of its voting securities, the
16 ability to effect a change in the composition of its board of directors or

17 otherwise, provided, control shall not be deemed to arise solely from a
 18 revocable proxy or consent given to a person in response to a public
 19 proxy or consent solicitation made pursuant to and in accordance with
 20 the applicable rules and regulations of the Securities Exchange Act of
 21 1934 unless a participant in said solicitation has announced an
 22 intention to effect a merger or consolidation with, reorganization, or
 23 other business combination or extraordinary transaction involving the
 24 gas, electric, electric distribution, water, telephone or community
 25 antenna television company or the holding company. Control shall be
 26 presumed to exist if a person directly or indirectly owns ten per cent or
 27 more of the voting securities of a gas, electric, electric distribution,
 28 water, telephone or community antenna television company or a
 29 holding company, provided the department may determine, after
 30 conducting a hearing, that said presumption of control has been
 31 rebutted by a showing that such ownership does not in fact confer
 32 control.

33 Sec. 2. (NEW) (*Effective from passage*) (a) As used in this section,
 34 "affiliate" means a person, as defined in section 16-1 of the general
 35 statutes, or class of persons that, with a gas company, as defined in
 36 section 16-1 of the general statutes, is under the control of the same
 37 holding company, or a person or class of persons that the Department
 38 of Public Utility Control determines to stand in such relation to a gas
 39 company that there is liable to be an absence of arm's length
 40 bargaining in transactions between them as to make it necessary to
 41 protect ratepayers.

42 (b) The Department of Public Utility Control shall establish a code
 43 of conduct that sets minimum standards for gas company transactions
 44 with affiliates to achieve, at a minimum, the following goals:

45 (1) Provide rules for when the purchases or sales of goods or
 46 services between a gas company and an affiliate should be by written
 47 contract based on such factors as the nature, value and term of the
 48 purchase or sale;

49 (2) Provide rules with respect to sharing or giving access to certain
50 types of customer identifying or commercially sensitive information to
51 affiliates that may differ between regulated and unregulated affiliates;

52 (3) Provide for a system of records and reporting for transactions
53 between a gas company and its affiliates;

54 (4) Establish standards to ensure that any payment by a gas
55 company to any affiliate or from any affiliate to a gas company is
56 appropriate and reasonable;

57 (5) Provide a standard for avoidance of conflict of interest between a
58 gas company and affiliates;

59 (6) Ensure that any such transactions shall not have an improper
60 and adverse impact on the costs or revenues of the gas company, on
61 the rates and charges paid by gas company customers or on the quality
62 of service provided by the gas company;

63 (7) Ensure that gas company ratepayers do not subsidize affiliate
64 operations;

65 (8) Ensure fair, appropriate and equitable standards for purchases,
66 sales, leases, asset transfers and cost or profit-sharing transactions or
67 any type of financing or encumbrance involving a gas company and its
68 affiliates; and

69 (9) Ensure that gas supply and distribution services are provided by
70 a gas company in an appropriate manner to affiliates and nonaffiliates
71 alike.

72 (c) In addition to the powers granted to the department in section
73 16-8c of the general statutes, during a rate proceeding under 16-19 of
74 the general statutes, as amended by this act, the department may
75 summon witnesses from an affiliate with which a gas company has
76 had direct or indirect transactions, examine the affiliate under oath and
77 order production, inspection and audit of its books, records or other

78 information relevant to any transaction that the department has reason
79 to believe has or will have an adverse impact on the costs and revenues
80 of the affiliated gas company. Proprietary commercial and proprietary
81 financial information of an affiliate provided pursuant to this section
82 shall be confidential and protected by the department, subject to the
83 provisions of section 1-210 of the general statutes.

84 (d) Each gas company shall submit to the department records and
85 such information as the department may require, at intervals
86 determined by the department and in such form as the department
87 may order regarding affiliate transactions.

88 (e) The department may, upon its own motion, investigate a gas
89 company's compliance with the code of conduct, and any such
90 investigation shall be a contested case, as defined in section 4-166 of
91 the general statutes.

92 (f) The department may make orders to enforce the code of conduct,
93 including, but not limited to, cease and desist orders and may levy
94 civil penalties pursuant to section 16-41 of the general statutes against
95 entities subject to the code of conduct.

96 (g) The code of conduct shall not prohibit communications
97 necessary to restore gas company service or to prevent or respond to
98 emergency conditions.

99 (h) On or before November 1, 2007, the department shall adopt
100 regulations, in accordance with the provisions of chapter 54 of the
101 general statutes, to establish the code of conduct in accordance with
102 subsection (b) of this section, related accounting and reporting
103 requirements and procedures for gas company and affiliate
104 compliance with this section.

105 (i) Any methodology for the allocation of costs between a gas
106 company and other companies under the control of the same holding
107 company currently approved by, or under current orders issued by,

108 the Securities and Exchange Commission under the Public Utility
109 Holding Company Act of 1935 or the Federal Energy Regulatory
110 Commission under the Public Utility Holding Company Act of 2005,
111 shall be entitled to a rebuttable presumption of reasonableness.
112 Charges rendered to a gas company by an affiliate that is a traditional
113 centralized service company shall be at cost and entitled to a rebuttable
114 presumption of reasonableness.

115 Sec. 3. Subsection (h) of section 16-19b of the general statutes is
116 repealed and the following is substituted in lieu thereof (*Effective from*
117 *passage*):

118 (h) The Department of Public Utility Control shall continually
119 monitor and oversee the application of the purchased gas adjustment
120 clause, the energy adjustment clause, and the transmission rate
121 adjustment clause. The department shall hold a public hearing thereon
122 whenever the department deems it necessary or upon application of
123 the Office of Consumer Counsel, but no less frequently than [once
124 every six months] annually, and undertake such other proceeding
125 thereon to determine whether charges or credits made under such
126 clauses reflect the actual prices paid for purchased gas or energy and
127 the actual transmission costs and are computed in accordance with the
128 applicable clause. If the department finds that such charges or credits
129 do not reflect the actual prices paid for purchased gas or energy, and
130 the actual transmission costs or are not computed in accordance with
131 the applicable clause, it shall recompute such charges or credits and
132 shall direct the company to take such action as may be required to
133 insure that such charges or credits properly reflect the actual prices
134 paid for purchased gas or energy and the actual transmission costs and
135 are computed in accordance with the applicable clause for the
136 applicable period.

137 Sec. 4. Subsection (a) of section 16-19 of the general statutes is
138 repealed and the following is substituted in lieu thereof (*Effective from*
139 *passage*):

140 (a) No public service company may charge rates in excess of those
141 previously approved by the authority or the Department of Public
142 Utility Control except that any rate approved by the Public Utilities
143 Commission or the authority shall be permitted until amended by the
144 authority or the department, that rates not approved by the authority
145 or the department may be charged pursuant to subsection (b) of this
146 section, and that the hearing requirements with respect to adjustment
147 clauses are as set forth in section 16-19b, as amended by this act. Each
148 public service company shall file any proposed amendment of its
149 existing rates with the department in such form and in accordance
150 with such reasonable regulations as the department may prescribe.
151 Each electric, electric distribution, gas or telephone company filing a
152 proposed amendment shall also file with the department an estimate
153 of the effects of the amendment, for various levels of consumption, on
154 the household budgets of high and moderate income customers and
155 customers having household incomes not more than one hundred fifty
156 per cent of the federal poverty level. Each electric and electric
157 distribution company shall also file such an estimate for space heating
158 customers. Each water company, except a water company that
159 provides water to its customers less than six consecutive months in a
160 calendar year, filing a proposed amendment, shall also file with the
161 department a plan for promoting water conservation by customers in
162 such form and in accordance with a memorandum of understanding
163 entered into by the department pursuant to section 4-67e. Each public
164 service company shall notify each customer who would be affected by
165 the proposed amendment, by mail, at least one week prior to the
166 public hearing thereon but no earlier than four weeks prior to the start
167 of the public hearing, that an amendment has been or will be
168 requested. Such notice shall also indicate (1) [the Department of Public
169 Utility Control] the date or dates, time or times and location or
170 locations of the scheduled public hearing, (2) a statement that
171 customers may provide comments regarding the proposed rate request
172 by writing to the Department of Public Utility Control or by appearing
173 in person at one of the scheduled public hearings, (3) the department's

174 telephone number for obtaining information concerning the schedule
175 for public hearings on the proposed amendment, and [(2)] (4) whether
176 the proposed amendment would, in the company's best estimate,
177 increase any rate or charge by twenty per cent or more, and, if so,
178 describe in general terms any such rate or charge and the amount of
179 the proposed increase, provided no such company shall be required to
180 provide more than one form of the notice to each class of its customers.
181 In the case of a proposed amendment to the rates of any public service
182 company, the department shall hold a public hearing thereon, except
183 as permitted with respect to interim rate amendments by subsection
184 (d) and subsection (g) of this section, and shall make such investigation
185 of such proposed amendment of rates as is necessary to determine
186 whether such rates conform to the principles and guidelines set forth
187 in section 16-19e, or are unreasonably discriminatory or more or less
188 than just, reasonable and adequate, or that the service furnished by
189 such company is inadequate to or in excess of public necessity and
190 convenience. The department, if in its opinion such action appears
191 necessary or suitable in the public interest may, and, upon written
192 petition or complaint of the state, under direction of the Governor,
193 shall, make the aforesaid investigation of any such proposed
194 amendment which does not involve an alteration in rates. If the
195 department finds any proposed amendment of rates to not conform to
196 the principles and guidelines set forth in section 16-19e, or to be
197 unreasonably discriminatory or more or less than just, reasonable and
198 adequate to enable such company to provide properly for the public
199 convenience, necessity and welfare, or the service to be inadequate or
200 excessive, it shall determine and prescribe, as appropriate, an adequate
201 service to be furnished or just and reasonable maximum rates and
202 charges to be made by such company. In the case of a proposed
203 amendment filed by an electric, electric distribution, gas or telephone
204 company, the department shall also adjust the estimate filed under this
205 subsection of the effects of the amendment on the household budgets
206 of the company's customers, in accordance with the rates and charges
207 approved by the department. The department shall issue a final

208 decision on each rate filing within one hundred fifty days from the
209 proposed effective date thereof, provided it may, before the end of
210 such period and upon notifying all parties and intervenors to the
211 proceedings, extend the period by thirty days.

212 Sec. 5. Section 16-22 of the general statutes is repealed and the
213 following is substituted in lieu thereof (*Effective October 1, 2007*):

214 At any hearing involving a rate or the transfer of ownership of
215 assets or a franchise of a public service company, or the formation or
216 change in control of a holding company, as defined in section 16-47, as
217 amended by this act, that involves a public service company within
218 this state, the burden of proving that [said] the rate under
219 consideration is just and reasonable or that [said] the transfer of assets
220 or franchise or that the change in control or formation of a holding
221 company is just and reasonable and is in the public interest shall be on
222 the public service company or the applicant company. The provisions
223 of this section shall not apply to the regulation of a
224 telecommunications service which is a competitive service, as defined
225 in section 16-247a.

226 Sec. 6. Subsection (d) of section 16-47 of the general statutes is
227 repealed and the following is substituted in lieu thereof (*Effective*
228 *October 1, 2007*):

229 (d) The Department of Public Utility Control shall investigate and
230 hold a public hearing on the question of granting its approval with
231 respect to any application made under subsection (b) or (c) of this
232 section and thereafter may approve or disapprove any such
233 application in whole or in part and upon such terms and conditions as
234 it deems necessary or appropriate, including, but not limited to, orders
235 that effectuate a rate reduction or sharing of merger-related savings
236 between shareholders and ratepayers. In connection with its
237 investigation, the department may request the views of the gas,
238 electric, electric distribution, water, telephone or community antenna
239 television company or holding company which is the subject of the

240 application with respect to the proposed acquisition. After the filing of
241 an application satisfying the requirements of such regulations as the
242 department may adopt in accordance with the provisions of chapter
243 54, but not later than thirty business days after the filing of such
244 application, the department shall give prompt notice of the public
245 hearing to the person required to file the application and to the subject
246 company or holding company. Such hearing shall be commenced as
247 promptly as practicable after the filing of the application, but not later
248 than thirty business days after the filing, and the department shall
249 make its determination as soon as practicable, but not later than one
250 hundred twenty days after the filing of the application unless the
251 person required to file the application agrees to an extension of time.
252 The department may, in its discretion, grant the subject company or
253 holding company the opportunity to participate in the hearing by
254 presenting evidence and oral and written argument. If the department
255 fails to give notice of its determination to hold a hearing, commence
256 the hearing, or render its determination after the hearing within the
257 time limits specified in this subdivision, the proposed acquisition shall
258 be deemed approved. In each proceeding on a written application
259 submitted under [said] subsection (b) or (c) of this section, the
260 department shall, in a manner which treats all parties to the
261 proceeding on an equal basis, take into consideration (1) the financial,
262 technological and managerial suitability and responsibility of the
263 applicant, (2) the ability of the gas, electric, electric distribution, water,
264 telephone or community antenna television company or holding
265 company which is the subject of the application to provide safe,
266 adequate and reliable service to the public through the company's
267 plant, equipment and manner of operation if the application were to be
268 approved, [and] (3) for an application concerning a telephone
269 company, the effect of approval on the location and accessibility of
270 management and operations and on the proportion and number of
271 state resident employees, and (4) the benefits to ratepayers and the
272 citizens of the state. Such benefits may include, but shall not be limited
273 to, rate reductions or the sharing of proposed merger savings with

274 ratepayers.

275 Sec. 7. Section 16-18a of the general statutes is amended by adding
276 subsection (d) as follows (*Effective from passage*):

277 (NEW) (d) For any proceeding before the Federal Energy
278 Regulatory Commission, the United States Department of Energy, the
279 United States Nuclear Regulatory Commission, the United States
280 Securities and Exchange Commission, the Federal Trade Commission,
281 the United States Department of Justice or the Federal
282 Communications Commission, the Department of Public Utility
283 Control may retain consultants to assist its staff in such proceedings by
284 providing expertise in areas in which staff expertise does not currently
285 exist or when necessary to supplement staff expertise. All reasonable
286 and proper expenses of such expert consultants shall be borne by the
287 public service companies, certified telecommunications providers,
288 electric suppliers or gas registrants that are affected by the decisions of
289 such proceedings and shall be paid at such times and in such manner
290 as the department directs, provided such expenses (1) shall be
291 apportioned in proportion to the revenues of each affected entity as
292 reported to the department for purposes of section 16-49 for the most
293 recent period, and (2) shall not exceed two hundred fifty thousand
294 dollars per proceeding, including any appeals thereof, in any calendar
295 year unless the department finds good cause for exceeding the limit.
296 All such expenses shall be recognized by the department as proper
297 business expenses of the affected entities for rate-making purposes, as
298 provided in section 16-19e, if applicable.

299 Sec. 8. Subsection (c) of section 16-262j of the general statutes is
300 repealed and the following is substituted in lieu thereof (*Effective from*
301 *passage*):

302 (c) Each public service company, certified telecommunications
303 provider and electric supplier shall pay interest on any security
304 deposit it receives from a customer at the average rate paid, as of
305 December 30, 1992, on savings deposits by insured commercial banks

306 as published in the Federal Reserve Board bulletin and rounded to the
307 nearest one-tenth of one percentage point, except in no event shall the
308 rate be less than one and one-half per cent. On and after January 1,
309 1994, the rate for each calendar year shall be not less than the deposit
310 index as determined by the Banking Commissioner and, as defined in
311 subsection (d) of this section, for that year and rounded to the nearest
312 one-tenth of one percentage point, except in no event shall the rate be
313 less than one and one-half per cent.

314 Sec. 9. Subsection (c) of section 16-8a of the general statutes is
315 repealed and the following is substituted in lieu thereof (*Effective from*
316 *passage*):

317 (c) (1) Not more than [thirty] ninety business days after receipt of a
318 written complaint, in a form prescribed by the department, by an
319 employee alleging the employee's employer has retaliated against an
320 employee in violation of subsection (a) of this section, the department
321 shall make a preliminary finding in accordance with this subsection.

322 (2) Not more than five business days after receiving a written
323 complaint, in a form prescribed by the department, the department
324 shall notify the employer by certified mail. Such notification shall
325 include a description of the nature of the charges and the substance of
326 any relevant supporting evidence. The employer may submit a written
327 response and both the employer and the employee may present
328 rebuttal statements in the form of affidavits from witnesses and
329 supporting documents and may meet with the department informally
330 to respond verbally about the nature of the employee's charges. The
331 department shall consider in making its preliminary finding as
332 provided in subdivision (3) of this subsection any such written and
333 verbal responses, including affidavits and supporting documents,
334 received by the department not more than twenty business days after
335 the employer receives such notice. Any such response received after
336 twenty business days shall be considered by the department only upon
337 a showing of good cause and at the discretion of the department. The

338 department shall make its preliminary finding as provided in
339 subdivision (3) of this subsection based on information described in
340 this subdivision, without a public hearing.

341 (3) Unless the department finds by clear and convincing evidence
342 that the adverse employment action was taken for a reason
343 unconnected with the employee's report of substantial misfeasance,
344 malfeasance or nonfeasance, there shall be a rebuttable presumption
345 that an employee was retaliated against in violation of subsection (a) of
346 this section if the department finds that: (A) The employee had
347 reported substantial misfeasance, malfeasance or nonfeasance in the
348 management of the public service company, holding company or
349 licensee; (B) the employee was subsequently discharged, suspended,
350 demoted or otherwise penalized by having the employee's status of
351 employment changed by the employee's employer; and (C) the
352 subsequent discharge, suspension, demotion or other penalty followed
353 the employee's report closely in time.

354 (4) If such findings are made, the department shall issue an order
355 requiring the employer to immediately return the employee to the
356 employee's previous position of employment or an equivalent position
357 pending the completion of the department's full investigatory
358 proceeding pursuant to subsection (d) of this section.

359 Sec. 10. Subdivision (1) of subsection (b) of section 16-262c of the
360 general statutes is repealed and the following is substituted in lieu
361 thereof (*Effective from passage*):

362 (b) (1) From November first to April fifteenth, inclusive, no electric
363 or electric distribution company, as defined in section 16-1, no electric
364 supplier and no municipal utility furnishing electricity shall terminate,
365 deny or refuse to reinstate residential electric service in hardship cases
366 where the customer lacks the financial resources to pay his or her
367 entire account. From November first to April fifteenth, inclusive, no
368 gas company and no municipal utility furnishing gas shall terminate or
369 refuse to reinstate residential gas service in hardship cases where the

370 customer uses such gas for heat and lacks the financial resources to
 371 pay his or her entire account, except a gas company that, between
 372 April sixteenth and October thirty-first, terminated gas service to a
 373 residential customer who uses gas for heat and who, during the
 374 previous period of November first to April fifteenth, had gas service
 375 maintained because of hardship status, may refuse to reinstate the gas
 376 service from November first to April fifteenth, inclusive, only if the
 377 customer has failed to pay, since the preceding November first, the
 378 lesser of: (A) Twenty per cent of the outstanding principal balance
 379 owed the gas company as of the date of termination, (B) one hundred
 380 dollars, or (C) the minimum payments due under the customer's
 381 amortization agreement. Notwithstanding any other provision of the
 382 general statutes to the contrary, no electric, electric distribution or gas
 383 company, no electric supplier and no municipal utility furnishing
 384 electricity or gas shall terminate or refuse to reinstate residential
 385 electric or gas service where the customer lacks the financial resources
 386 to pay his or her entire account and for which customer or a member
 387 of the customer's household the termination or failure to reinstate such
 388 service would create a life-threatening situation.

389 Sec. 11. Subdivision (30) of subsection (a) of section 16-1 of the
 390 general statutes is repealed and the following is substituted in lieu
 391 thereof (*Effective from passage*):

392 (30) "Electric supplier" means any person [, including an electric
 393 aggregator] or participating municipal electric utility that is licensed
 394 by the Department of Public Utility Control in accordance with section
 395 16-245, as amended by this act, [that] and provides electric generation
 396 services to end use customers in the state using the transmission or
 397 distribution facilities of an electric distribution company, regardless of
 398 whether or not such person takes title to such generation services, but
 399 does not include: (A) A municipal electric utility established under
 400 chapter 101, other than a participating municipal electric utility; (B) a
 401 municipal electric energy cooperative established under chapter 101a;
 402 (C) an electric cooperative established under chapter 597; (D) any other

403 electric utility owned, leased, maintained, operated, managed or
404 controlled by any unit of local government under any general statute
405 or special act; or (E) an electric distribution company in its provision of
406 electric generation services in accordance with subsection (a) or, prior
407 to January 1, 2004, subsection (c) of section 16-244c.

408 Sec. 12. Subdivision (31) of subsection (a) of section 16-1 of the
409 general statutes is repealed and the following is substituted in lieu
410 thereof (*Effective from passage*):

411 (31) "Electric aggregator" means [(A) a person, municipality or
412 regional water authority that] any person, municipality, regional water
413 authority or the Connecticut Resource Recovery Authority, if such
414 entity gathers together electric customers for the purpose of
415 negotiating the purchase of electric generation services from an electric
416 supplier, [or (B) the Connecticut Resources Recovery Authority, if it
417 gathers together electric customers for the purpose of negotiating the
418 purchase of electric generation services from an electric supplier,]
419 provided such [person, municipality or authority] entity is not
420 engaged in the purchase or resale of electric generation services, and
421 provided further such customers contract for electric generation
422 services directly with an electric supplier, and may include an electric
423 cooperative established pursuant to chapter 597.

424 Sec. 13. Subsection (a) of section 16-1 of the general statutes is
425 amended by adding subdivision (46) as follows (*Effective from passage*):

426 (NEW) (46) "Electric broker" means any person, municipality,
427 regional water authority or the Connecticut Resources Recovery
428 Authority, if such entity arranges or acts as an agent, negotiator or
429 intermediary in the sale or purchase of electric generation services
430 between any end use customer in the state and any electric supplier,
431 but does not take title to any of the generation services sold, provided
432 (A) such entity is not engaged in the purchase and resale of electric
433 generation services, and (B) such customer contracts for electric
434 generation services directly with an electric supplier, and may include

435 an electric cooperative established pursuant to chapter 597.

436 Sec. 14. Subsection (l) of section 16-245 of the general statutes is
437 repealed and the following is substituted in lieu thereof (*Effective from*
438 *passage*):

439 (l) (1) An electric aggregator or electric broker shall not be subject to
440 the provisions of subsections (a) to (k), inclusive, of this section.

441 (2) No electric aggregator or electric broker shall arrange or
442 negotiate a contract for the purchase of electric generation services
443 from an electric supplier unless such aggregator or electric broker has
444 [(A)] obtained a certificate of registration from the Department of
445 Public Utility Control in accordance with this subsection. [, or (B) in the
446 case of a municipality, regional water authority and the Connecticut
447 Resources Recovery Authority, registered in accordance with section
448 16-245b.] An electric aggregator that was licensed pursuant to this
449 section prior to July 1, 2003, shall receive a certificate of registration on
450 July 1, 2003. An entity that has been issued an electric supplier license
451 by the Department of Public Utility Control pursuant to subsections (a)
452 to (k), inclusive, of this section may act as an electric aggregator or
453 electric broker without having to obtain a certificate of registration in
454 accordance with this subsection.

455 (3) An application for a certificate of registration shall be filed with
456 the department, accompanied by a fee as determined by the
457 department. The application shall contain such information as the
458 department may deem relevant, including, but not limited to, the
459 following: (A) The address of the applicant's headquarters and the
460 articles of incorporation, if applicable, as filed with the state in which
461 the applicant is incorporated; (B) the address of the applicant's
462 principal office in the state, if any, or the address of the applicant's
463 agent for service in the state; (C) the toll-free or in-state telephone
464 number of the applicant; (D) information about the applicant's
465 corporate structure, if applicable, including [financial names and
466 financial statements, as relevant, concerning] names and background

467 information of corporate affiliates; (E) disclosure of whether the
 468 applicant or any of the applicant's corporate affiliates or officers, if
 469 applicable, have been or are currently under investigation for violation
 470 of any consumer protection law or regulation to which it is subject,
 471 either in this state or in another state. Each registered electric
 472 aggregator or electric broker shall update the information contained in
 473 this subdivision as necessary.

474 (4) Not more than thirty days after receiving an application for a
 475 certificate of registration, the department shall notify the applicant
 476 whether the application is complete or whether the applicant must
 477 submit additional information. The department shall grant or deny the
 478 application for a certificate of registration not more than ninety days
 479 after receiving all information required of an applicant. The
 480 department shall hold a public hearing on an application upon the
 481 request of any interested party.

482 (5) As a condition for maintaining a certificate of registration, the
 483 registered electric aggregator or electric broker shall ensure that, where
 484 applicable, it complies with the National Labor Relations Act and
 485 regulations, if applicable, and it complies with the Connecticut Unfair
 486 Trade Practices Act and applicable regulations.

487 (6) Any registered electric aggregator or electric broker that fails to
 488 comply with a registration condition or violates any provision of this
 489 section shall be subject to civil penalties by the Department of Public
 490 Utility Control in accordance with the procedures contained in section
 491 16-41, or the suspension or revocation of such registration, or a
 492 prohibition on accepting new customers following a hearing that is
 493 conducted as a contested case in accordance with the provisions of
 494 chapter 54.

495 Sec. 15. Section 16-245b of the general statutes is repealed and the
 496 following is substituted in lieu thereof (*Effective from passage*):

497 Notwithstanding the provisions of subsection (a) of section 16-245,

498 the provisions of said section shall not apply to (1) any municipality or
 499 regional water authority that aggregates or brokers the sale of electric
 500 generation services, or to the Connecticut Resources Recovery
 501 Authority if such authority aggregates or brokers the sale of electric
 502 generation services, for end use customers located within the
 503 boundaries of such municipality or regional water authority, (2) any
 504 municipality that joins together with other municipalities to aggregate
 505 or broker the sale of electric generation services for end use customers
 506 located within the boundaries of such municipalities, or (3) any
 507 municipality or regional water authority that aggregates or brokers the
 508 purchase of electric generation services for municipal facilities, street
 509 lighting, boards of education and other publicly-owned facilities
 510 within (A) the municipality for which the municipality is financially
 511 responsible, or (B) the municipalities that are within the authorized
 512 service area of the regional water authority. Any municipality or
 513 regional water authority that aggregates or brokers in accordance with
 514 this section shall register not less than annually with the Department
 515 of Public Utility Control on a form prescribed by the department.

516 Sec. 16. Subsection (b) of section 16-245p of the general statutes is
 517 repealed and the following is substituted in lieu thereof (*Effective from*
 518 *passage*):

519 (b) The Department of Public Utility Control shall maintain and
 520 make available to customers upon request, a list of electric aggregators
 521 and electric brokers and the following information about each electric
 522 supplier and each electric distribution company providing standard
 523 service or back-up electric generation service, pursuant to section 16-
 524 244c: (1) Rates and charges; (2) applicable terms and conditions of a
 525 contract for electric generation services; (3) the percentage of the total
 526 electric output derived from each of the categories of energy sources
 527 provided in subsection (e) of section 16-244d, the total emission rates
 528 of nitrogen oxides, sulfur oxides, carbon dioxide, carbon monoxide,
 529 particulates, heavy metals and other wastes the disposal of which is
 530 regulated under state or federal law at the facilities operated by or

531 under long-term contract to the electric supplier or providing electric
 532 generation services to an electric distribution company providing
 533 standard service or back-up electric generation service, pursuant to
 534 section 16-244c, and the analysis of the environmental characteristics of
 535 each such category of energy source prepared pursuant to subsection
 536 (e) of [said] section 16-244d and to the extent such information is
 537 unknown, the estimated percentage of the total electric output for
 538 which such information is unknown, along with the word "unknown"
 539 for that percentage; (4) a record of customer complaints and the
 540 disposition of each complaint; and (5) any other information the
 541 department determines will assist customers in making informed
 542 decisions when choosing an electric supplier. The department shall
 543 make available to customers the information filed pursuant to
 544 subsection (a) of this section not later than thirty days after its receipt.
 545 The department shall put such information in a standard format so
 546 that a customer can readily understand and compare the services
 547 provided by each electric supplier.

548 Sec. 17. Subdivision (19) of subsection (a) of section 22a-266 of the
 549 general statutes is repealed and the following is substituted in lieu
 550 thereof (*Effective from passage*):

551 (19) Act as an electric supplier, [or] an electric aggregator or an
 552 electric broker pursuant to public act 98-28* provided any net revenue
 553 to the authority from activities, contracts, products or processes
 554 undertaken pursuant to this subdivision, after payment of principal
 555 and interest on bonds and repayment of any loans or notes of the
 556 authority, shall be distributed so as to reduce the costs of other
 557 authority services to the users thereof on a pro rata basis proportionate
 558 to costs paid by such users. In acting as an electric supplier, [or an]
 559 electric aggregator or electric broker pursuant to any license granted
 560 by the Department of Public Utility Control, the authority may enter
 561 into contracts for the purchase and sale of electricity and electric
 562 generation services, provided such contracts are solely for the
 563 purposes of ensuring the provision of safe and reliable electric service

564 and protecting the position of the authority with respect to capacity
565 and price.

566 Sec. 18. Subsection (c) of section 7-148ee of the general statutes is
567 repealed and the following is substituted in lieu thereof (*Effective from*
568 *passage*):

569 (c) No corporation established pursuant to subsection (a) of this
570 section shall engage in the manufacture, distribution, purchase or sale,
571 or any combination thereof, of electricity, gas or water outside the
572 service area of such municipal electric or gas utility or within its
573 service area if it encroaches upon the service area or franchise area of
574 another water or gas utility. Nothing in this section shall be construed
575 to permit any municipal electric utility to engage in the sale, [or]
576 aggregation or brokering of electric generation services other than
577 pursuant to section 16-245, as amended by this act.

578 Sec. 19. Subsection (b) of section 33-219 of the general statutes is
579 repealed and the following is substituted in lieu thereof (*Effective from*
580 *passage*):

581 (b) Notwithstanding the provisions of subsection (a) of this section,
582 cooperative, nonprofit, membership corporations may be organized
583 under this chapter for the purpose of generating electric energy by
584 means of cogeneration technology, renewable energy resources or both
585 and supplying it to any member or supplying it to, purchasing it from
586 or exchanging it with a public service company, electric supplier, [as
587 defined in section 16-1,] municipal aggregator, [as defined in said
588 section] electric broker, municipal utility or municipal electric energy
589 cooperative, all as defined in section 16-1, as amended by this act, in
590 accordance with an agreement with the company, electric supplier,
591 electric aggregator, electric broker, municipal utility or cooperative. No
592 membership corporation under this subsection may exercise those
593 powers contained in subsection (i) or (j) of section 33-221 unless the
594 prior approval of the Department of Public Utility Control is obtained,
595 after opportunity for hearing in accordance with title 16 and chapter

596 54. Any cooperative organized on or after July 1, 1998, pursuant to this
597 subsection shall collect from its members the competitive transition
598 assessment levied pursuant to section 16-245g and the systems benefits
599 charge levied pursuant to section 16-245l in such manner and at such
600 rate as the Department of Public Utility Control prescribes, provided
601 the department shall order the collection of said assessment and said
602 charge in a manner and rate equal to that to which the members of the
603 cooperative would have been subject had the cooperative not been
604 organized.

605 Sec. 20. Section 16-247p of the general statutes is repealed and the
606 following is substituted in lieu thereof (*Effective from passage*):

607 (a) Not later than April 1, 2000, the Department of Public Utility
608 Control shall, by regulations adopted pursuant to chapter 54, establish
609 quality-of-service standards that shall apply to all telephone
610 companies and certified telecommunications providers and to all
611 telecommunications services. Such standards shall include, but not be
612 limited to, measures relating to customer trouble reports, service
613 outages, installation appointments and repeat problems as well as
614 timeliness in responding to complaints or reports. The department
615 shall include with the quality of service standards methodologies for
616 monitoring compliance with and enforcement of such standards. Such
617 monitoring shall include input from employees of telephone
618 companies and certified telecommunications providers, including
619 members of collective bargaining units.

620 (b) [Not later than April 1, 2000, the] The department shall, [by
621 regulations adopted pursuant to chapter 54] through administrative
622 proceedings, establish comprehensive performance standards and
623 performance based reporting requirements for functions provided by a
624 telephone company to a certified telecommunications provider,
625 including, but not limited to, telephone company performance relating
626 to customer ordering, preordering, provisioning, billing, maintenance
627 and repair. Such service standards shall be sufficiently comprehensive

628 to ensure that a telephone company meets its obligations under 47
 629 USC 251. Such [regulations] standards may also contain provisions the
 630 department deems necessary to prevent anticompetitive actions by any
 631 telephone company or certified telecommunications provider.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	16-47(a)
Sec. 2	<i>from passage</i>	New section
Sec. 3	<i>from passage</i>	16-19b(h)
Sec. 4	<i>from passage</i>	16-19(a)
Sec. 5	<i>October 1, 2007</i>	16-22
Sec. 6	<i>October 1, 2007</i>	16-47(d)
Sec. 7	<i>from passage</i>	16-18a
Sec. 8	<i>from passage</i>	16-262j(c)
Sec. 9	<i>from passage</i>	16-8a(c)
Sec. 10	<i>from passage</i>	16-262c(b)(1)
Sec. 11	<i>from passage</i>	16-1(a)(30)
Sec. 12	<i>from passage</i>	16-1(a)(31)
Sec. 13	<i>from passage</i>	16-1(a)
Sec. 14	<i>from passage</i>	16-245(l)
Sec. 15	<i>from passage</i>	16-245b
Sec. 16	<i>from passage</i>	16-245p(b)
Sec. 17	<i>from passage</i>	22a-266(a)(19)
Sec. 18	<i>from passage</i>	7-148ee(c)
Sec. 19	<i>from passage</i>	33-219(b)
Sec. 20	<i>from passage</i>	16-247p

Statement of Purpose:

To modify the Department of Public Utility Control's regulation of utilities and other entities.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]